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Director of Central Intelligence

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The Overnight Reports, printed on yellow paper as the final section of the Daily, will often contain materials that update the Situation Reports and Briefs and Comments.

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BRAZIL: Nuclear Fuel Reprocessing

A Brazilian nuclear fuel reprocessing plant may be delayed a year or so by an engineering dispute between the Brazilians and the West German firm that is to build the facility. A Dutch engineering firm called in by the Brazilians has agreed with them that the proposed plant would be larger and more costly than necessary to meet their reprocessing requirement of 10 kilograms daily of low-enriched uranium fuel. Apparently the West German firm is trying to save itself time and expense by supplying a plant with a 200-kilogram-per-day capacity for which engineering work has already been done elsewhere. By reducing it to a 10-kilogram-per-day output the West Germans fulfill the letter of their agreement with Brazil as well as their agreement with France not to export a commercial-size reprocessing plant based on shared technology. The smaller output could support a small research program or could enable the Brazilians to produce two or three nuclear devices a year if they were willing to abrogate safeguards. Brazil might be better off, however, with the choked-down plant, which could be upgraded with relative ease to reprocess all the spent fuel from the country's two power reactors, although at least some of this fuel would be of US origin and thus require US approval.

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